



Congressman Jim Jordan (R-OH), Chairman

November 18, 2009

House May Consider “Doc Fix” / “PAYGO” Bill

The rule for H.R. 3962, the Democrats’ government takeover of health care bill, provided for closed rule consideration of a “doc fix” bill (H.R. 3961). This procedure was used, instead of keeping the “doc fix” in the “comprehensive” Democrat health care bill, merely so that Democrats could hide the true cost of the legislation, \$209 billion, and pretend that their health care bill costs less than it actually does. The \$209 billion figure increases to **\$279 billion** if the cost (\$70 billion) of an HHS rule to remove physician-administered drugs is also factored in. The RSC Empowering Patients First Act (H.R. 3400) did not try and hide the cost of a “doc fix,” but instead accounted for this cost and paid for it.

Ironically, even though this legislation is a \$209 billion ten-year violation of the Democrats’ “PAYGO” principle, the rule automatically engrosses the House-passed version of statutory “PAYGO” (H.R. 2920) into the “doc fix” upon House passage. H.R. 2920 applies a PAYGO requirement to the 53% of the federal budget that consists of entitlement spending and to *most* changes to tax law. Violations of PAYGO would not be judged on a per-bill basis (as under the current House PAYGO rule), but instead would be judged at the end of each year by two separate standards: the average annual impact on the deficit over five years, and the average annual impact over ten years. To the extent that this scoring system shows bills passed by Congress (again, counting only the types of budget decisions that H.R. 2920 subjects to the PAYGO requirement) led to a *net* deficit impact over either period, OMB would be required to issue a sequester in order to get rid of the violation.

Quote of the Week: *“Credibility counts in government and stupid mistakes like this undermine it. We’ve got too many serious problems in this country to let that happen.”*

-Congressman David Obey (D-WI), on an ABC News report that the Administration’s Recovery.Gov claims the creations of thousands of jobs in nonexistent Congressional districts.

Fact of the Week: The Obama Administration has spent more money on new programs in **nine months** than the Clinton Administration did in **eight years**. **Source:** Politico, 11/13/09

House May Consider \$51 Billion FY 2010 CJS Bill This Week

This week, the House may consider a conference report for the FY 2010 Commerce-State-Justice Appropriations bill. The House-passed version of the legislation included \$64.3 billion in total spending, a **\$6.7 billion** (12.9%) increase compared to last year, and a **\$12.5 billion** (24.2%) increase compared to FY 2008. The bill funds some programs that many conservatives believe should be eliminated: **Legal Services Corporation** (\$440 million in House-passed bill) and the **National Drug Intelligence Center** (\$44 million in House-passed bill, a program in Johnstown, PA that is in Rep. Murtha’s district). The House-passed version also included \$7.4 billion for the Census, a \$4.2 billion or 134.9% increase compared to last year.

The Democrat FY 2010 appropriations plan leads to \$1.09 trillion of regular appropriations spending in FY 2010, a \$77 billion or 7.6% increase compared to last year, which follows an \$80 billion or 8.6% increase in the previous year (per the FY 2009 omnibus). In just the last two years, Congress will have increased spending just through the regular appropriations process (so excluding the “stimulus,” various supplementals, and other various entitlement spending increases) by **\$157 billion** or **16.8%**.

Obama Administration: Deficit Becoming a Problem

According to OMB Director Orszag, the President’s FY 2011 budget may include some provisions that the Administration will claim reduce the deficit. While it is unclear what the President will actually propose in his budget, one thing many fiscal conservatives will be wary of is any attempt to shift requested spending from the regular appropriations process to supplemental appropriations bills (such as a potential third “stimulus” bill), and call this accounting shift—which does not impact the federal budget’s bottom line—deficit reduction. The President’s first budget proposed all eleven of the largest deficits in U.S. history. Since Obama became President, the national debt has crossed both the \$11 trillion and \$12 trillion levels.